



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2017
OF THE CONDITION AND AFFAIRS OF THE

Michigan Complete Health, Inc.

NAIC Group Code 01295 , 01295 NAIC Company Code 10769 Employer's ID Number 30-0312489
(Current Period) (Prior Period)

Organized under the Laws of Michigan , State of Domicile or Port of Entry Michigan

Country of Domicile United States

Licensed as business type: Life, Accident & Health [] Property/Casualty [] Hospital, Medical & Dental Service or Indemnity []
Dental Service Corporation [] Vision Service Corporation [] Health Maintenance Organization [X]
Other [] Is HMO, Federally Qualified? Yes [] No []

Incorporated/Organized 12/09/2004 Commenced Business 07/15/2005

Statutory Home Office 800 Tower Rd., Suite 200 , Troy, MI, US 48098
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 7700 Forsyth Boulevard
(Street and Number)
Saint Louis, MO, US 63105 314-725-4477
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 7700 Forsyth Boulevard , Saint Louis, MO, US 63105
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 7700 Forsyth Boulevard
(Street and Number)
Saint Louis, MO, US 63105 314-725-4477
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Web Site Address http://www.michigancompletehealth.com

Statutory Statement Contact Tanya Marie Ferguson , 314-445-0447
(Name) (Area Code) (Telephone Number) (Extension)
taferguson@centene.com 314-725-4658
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
<u>Amy Williams</u>	<u>President</u>	<u>Keith Harvey Williamson</u>	<u>Secretary</u>
<u>Christopher Isaak</u>	<u>Treasurer</u>		

OTHER OFFICERS

<u>Tricia Lynn Dinkelman</u>	<u>Vice President of Tax</u>		

DIRECTORS OR TRUSTEES

<u>Amy Williams</u>	<u>Christopher Isaak</u>	<u>Daryl Pack</u>	
---------------------	--------------------------	-------------------	--

State of Missouri **ss**
County of St. Louis

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

<u>Amy Williams</u> President	<u>Keith Harvey Williamson</u> Secretary	<u>Christopher Isaak</u> Treasurer
----------------------------------	---	---------------------------------------

Subscribed and sworn to before me this _____ day of _____ , _____

a. Is this an original filing? Yes [X] No []
b. If no:
1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	1,099,593		1,099,593	1,098,503
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$5,069,863 , Schedule E-Part 1), cash equivalents (\$0 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	5,069,863		5,069,863	1,916,165
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	6,169,456	0	6,169,456	3,014,668
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	1,428		1,428	1,428
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	634,429		634,429	116,131
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$598,757)	598,757		598,757	2,935,665
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	21,358		21,358	0
18.2 Net deferred tax asset.....			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	1,835
24. Health care (\$4,561,387) and other amounts receivable.....	4,639,046	77,659	4,561,387	4,557,369
25. Aggregate write-ins for other-than-invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	12,064,474	77,659	11,986,815	10,627,096
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	12,064,474	77,659	11,986,815	10,627,096
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.	0		0	0
2502.	0		0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	1,217,211		1,217,211	670,518
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	81,653		81,653	0
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act.....	1,068,795		1,068,795	1,725,088
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	181,309		181,309	138,101
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses)).....			0	246,241
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable	295		295	242
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	871,875		871,875	0
16. Derivatives.....		0	0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$) companies.....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans	1,420,416		1,420,416	1,274,113
23. Aggregate write-ins for other liabilities (including \$ current)	21,205	0	21,205	31,616
24. Total liabilities (Lines 1 to 23).....	4,862,759	0	4,862,759	4,085,919
25. Aggregate write-ins for special surplus funds	XXX	XXX	877,570	0
26. Common capital stock	XXX	XXX	1	1
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	7,824,999	7,824,999
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(1,578,512)	(1,283,824)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	7,124,058	6,541,176
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	11,986,817	10,627,095
DETAILS OF WRITE-INS				
2301. State Income Tax Payable.....	21,205		21,205	31,616
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	21,205	0	21,205	31,616
2501. 2018 Health Insurer Fee.....	XXX	XXX	877,570	0
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	877,570	0
3001.	XXX	XXX		0
3002.	XXX	XXX		0
3003.	XXX	XXX		0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	27,369	54,547
2. Net premium income (including \$0 non-health premium income).....	XXX	54,312,766	46,875,769
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	54,312,766	46,875,769
Hospital and Medical:			
9. Hospital/medical benefits		41,688,698	35,395,547
10. Other professional services		519,058	487,936
11. Outside referrals			0
12. Emergency room and out-of-area		2,001,968	1,940,998
13. Prescription drugs		4,149,757	3,958,541
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		1,238	0
16. Subtotal (Lines 9 to 15)	0	48,360,719	41,783,022
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	48,360,719	41,783,022
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$16,836 cost containment expenses.....		616,266	489,379
21. General administrative expenses.....		5,899,991	6,299,694
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		(656,293)	(448,275)
23. Total underwriting deductions (Lines 18 through 22)	0	54,220,683	48,123,820
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	92,083	(1,248,051)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		12,091	12,091
26. Net realized capital gains (losses) less capital gains tax of \$			0
27. Net investment gains (losses) (Lines 25 plus 26)	0	12,091	12,091
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	104,174	(1,235,960)
31. Federal and foreign income taxes incurred	XXX	(532,053)	(635,166)
32. Net income (loss) (Lines 30 minus 31)	XXX	636,227	(600,794)
DETAILS OF WRITE-INS			
0601.	XXX		0
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		0
0702.	XXX		0
0703.	XXX		0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			0
1402.			0
1403.			0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901.			0
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	6,541,177	5,013,048
34. Net income or (loss) from Line 32	636,227	(600,794)
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	(53,347)	57,648
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	2,000,000
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	1	71,275
48. Net change in capital and surplus (Lines 34 to 47)	582,881	1,528,129
49. Capital and surplus end of reporting year (Line 33 plus 48)	7,124,058	6,541,177
DETAILS OF WRITE-INS		
4701. Rounding.....	1	0
4702. 2014 Annual Filing Correction.....	0	71,275
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	1	71,275

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	56,131,376	45,099,046
2. Net investment income	11,000	12,767
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	56,142,376	45,111,813
5. Benefit and loss related payments	47,873,339	43,470,847
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		0
7. Commissions, expenses paid and aggregate write-ins for deductions	5,379,794	5,787,326
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(264,454)	(1,399,075)
10. Total (Lines 5 through 9)	52,988,679	47,859,098
11. Net cash from operations (Line 4 minus Line 10)	3,153,697	(2,747,285)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	0	0
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	0	0
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	2,000,000
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	1	(1)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	1	1,999,999
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	3,153,698	(747,286)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,916,164	2,663,450
19.2 End of year (Line 18 plus Line 19.1)	5,069,862	1,916,164

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Michigan Complete Health, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	54,312,766	0	0	0	0	0	54,312,766	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue.....	0									XXX
5. Aggregate write-ins for other health care related revenues.....	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	54,312,766	0	0	0	0	0	54,312,766	0	0	0
8. Hospital/medical benefits	41,688,698						41,688,698			XXX
9. Other professional services	519,057						519,057			XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	2,001,968						2,001,968			XXX
12. Prescription drugs	4,149,757						4,149,757			XXX
13. Aggregate write-ins for other hospital and medical.....	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts.....	1,238						1,238			XXX
15. Subtotal (Lines 8 to 14)	48,360,718	0	0	0	0	0	48,360,718	0	0	XXX
16. Net reinsurance recoveries	0									XXX
17. Total hospital and medical (Lines 15 minus 16)	48,360,718	0	0	0	0	0	48,360,718	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$16,836 cost containment expenses.....	616,266						616,266			
20. General administrative expenses	5,899,991						5,899,991			
21. Increase in reserves for accident and health contracts	(656,293)						(656,293)			XXX
22. Increase in reserves for life contracts.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	54,220,682	0	0	0	0	0	54,220,682	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	92,084	0	0	0	0	0	92,084	0	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....				.0
2. Medicare Supplement .....				.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare	54,313,861		1,095	54,312,766
7. Title XIX - Medicaid.....				.0
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	54,313,861	.0	1,095	54,312,766
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	54,313,861	0	1,095	54,312,766

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non- Health
1. Payments during the year:										
1.1 Direct	47,816,807						47,816,807			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	47,816,807	0	0	0	0	0	47,816,807	0	0	0
2. Paid medical incentive pools and bonuses	1,238						1,238			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	1,217,211	0	0	0	0	0	1,217,211	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	1,217,211	0	0	0	0	0	1,217,211	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0									
6. Net healthcare receivables (a).....	4,019						4,019	0		
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	670,518	0	0	0	0	0	670,518	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	670,518	0	0	0	0	0	670,518	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	48,359,481	0	0	0	0	0	48,359,481	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	48,359,481	0	0	0	0	0	48,359,481	0	0	0
13. Incurred medical incentive pools and bonuses	1,238	0	0	0	0	0	1,238	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	1,199,383						1,199,383			
1.2. Reinsurance assumed .....	.0									
1.3. Reinsurance ceded .....	.0									
1.4. Net	1,199,383	.0	.0	.0	.0	.0	1,199,383	.0	.0	.0
2. Incurred but Unreported:										
2.1. Direct	17,828						17,828			
2.2. Reinsurance assumed .....	.0									
2.3. Reinsurance ceded .....	.0									
2.4. Net	17,828	.0	.0	.0	.0	.0	17,828	.0	.0	.0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct .....	.0									
3.2. Reinsurance assumed .....	.0									
3.3. Reinsurance ceded .....	.0									
3.4. Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:										
4.1. Direct	1,217,211	.0	.0	.0	.0	.0	1,217,211	.0	.0	.0
4.2. Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3. Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4. Net	1,217,211	0	0	0	0	0	1,217,211	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)					0	0
2. Medicare Supplement					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare	703,592	51,670,583	38,927	1,178,283	742,519	670,518
7. Title XIX - Medicaid.....					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	703,592	51,670,583	38,927	1,178,283	742,519	670,518
10. Healthcare receivables (a).....		4,561,387			0	0
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts		1,238			0	0
13. Totals (Lines 9-10+11+12)	703,592	47,110,434	38,927	1,178,283	742,519	670,518

(a) Excludes \$0 loans or advances to providers not yet expensed.

Pt 2C - Sn A - Paid Claims - Comp

NONE

Pt 2C - Sn A - Paid Claims - MS

NONE

Pt 2C - Sn A - Paid Claims - DO

NONE

Pt 2C - Sn A - Paid Claims - VO

NONE

Pt 2C - Sn A - Paid Claims - FE

NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE Michigan Complete Health, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior	49,122	49,122	49,122	49,122	49,122
2. 2013	16,238	17,466	17,466	17,466	17,466
3. 2014	XXX	23,902	25,936	25,936	25,936
4. 2015	XXX	XXX	52,065	55,592	55,592
5. 2016	XXX	XXX	XXX	40,949	41,653
6. 2017	XXX	XXX	XXX	XXX	47,110

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior	49,122	49,122	49,122	49,122	49,122
2. 2013	17,947	17,466	17,466	17,466	17,466
3. 2014	XXX	25,981	25,936	25,936	25,936
4. 2015	XXX	XXX	55,428	55,607	55,607
5. 2016	XXX	XXX	XXX	41,604	41,676
6. 2017	XXX	XXX	XXX	XXX	48,289

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2013.....	20,505	17,466		0.0	17,466	85.2			17,466	85.2
2. 2014.....	30,724	25,936	63	0.2	25,999	84.6			25,999	84.6
3. 2015.....	60,547	55,592	586	1.1	56,178	92.8			56,178	92.8
4. 2016.....	46,876	41,653	490	1.2	42,143	89.9	39		42,182	90.0
5. 2017	54,313	47,110	549	1.2	47,659	87.7	1,178	82	48,919	90.1

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior	49,122	49,122	49,122	49,122	49,122
2. 2013	16,238	17,466	17,466	17,466	17,466
3. 2014	XXX	23,902	25,936	25,936	25,936
4. 2015	XXX	XXX	52,065	55,592	55,592
5. 2016	XXX	XXX	XXX	40,949	41,653
6. 2017	XXX	XXX	XXX	XXX	47,110

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior	49,122	49,122	49,122	49,122	49,122
2. 2013	17,947	17,466	17,466	17,466	17,466
3. 2014	XXX	25,981	25,936	25,936	25,936
4. 2015	XXX	XXX	55,428	55,607	55,607
5. 2016	XXX	XXX	XXX	41,604	41,676
6. 2017	XXX	XXX	XXX	XXX	48,289

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2013	20,505	17,466	0	0.0	17,466	85.2	0	0	17,466	85.2
2. 2014	30,724	25,936	63	0.2	25,999	84.6	0	0	25,999	84.6
3. 2015	60,547	55,592	586	1.1	56,178	92.8	0	0	56,178	92.8
4. 2016	46,876	41,653	490	1.2	42,143	89.9	39	0	42,182	90.0
5. 2017	54,313	47,110	549	1.2	47,659	87.7	1,178	82	48,919	90.1

Pt 2C - Sn B - Incurred Claims - Comp

NONE

Pt 2C - Sn B - Incurred Claims - MS

NONE

Pt 2C - Sn B - Incurred Claims - DO

NONE

Pt 2C - Sn B - Incurred Claims - VO

NONE

Pt 2C - Sn B - Incurred Claims - FE

NONE

Part 2C - Sn C - Claims Expense Ratio Co
NONE

Part 2C - Sn C - Claims Expense Ratio MS
NONE

Part 2C - Sn C - Claims Expense Ratio DO
NONE

Part 2C - Sn C - Claims Expense Ratio VO
NONE

Part 2C - Sn C - Claims Expense Ratio FE
NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	.0								
2. Additional policy reserves (a).....	1,068,795						1,068,795		
3. Reserve for future contingent benefits.....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	.0								
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	1,068,795	.0	.0	.0	.0	.0	1,068,795	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	1,068,795	0	0	0	0	0	1,068,795	0	0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501. ....	.0								
0502. ....	.0								
0503. ....	.0								
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101. ....	.0								
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$1,068,795 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building)			126,329		126,329
2. Salaries, wages and other benefits			2,416,198		2,416,198
3. Commissions (less \$ceded plus \$assumed)					0
4. Legal fees and expenses			41,233		41,233
5. Certifications and accreditation fees			4,799		4,799
6. Auditing, actuarial and other consulting services			968,919		968,919
7. Traveling expenses			58,210		58,210
8. Marketing and advertising			156,160		156,160
9. Postage, express and telephone			55,397		55,397
10. Printing and office supplies			144,891		144,891
11. Occupancy, depreciation and amortization			257,103		257,103
12. Equipment			19,788		19,788
13. Cost or depreciation of EDP equipment and software			507,455		507,455
14. Outsourced services including EDP, claims, and other services	16,836	599,430	731,506		1,347,772
15. Boards, bureaus and association fees					0
16. Insurance, except on real estate			20,866		20,866
17. Collection and bank service charges			11,234		11,234
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses			13,908		13,908
22. Real estate taxes			8,047		8,047
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			(30,097)		(30,097)
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees			2,881		2,881
23.4 Payroll taxes			108,232		108,232
23.5 Other (excluding federal income and real estate taxes)			276,932		276,932
24. Investment expenses not included elsewhere					0
25. Aggregate write-ins for expenses	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25)	16,836	599,430	5,899,991	0 (a)	6,516,257
27. Less expenses unpaid December 31, current year		81,653	181,309		262,962
28. Add expenses unpaid December 31, prior year	0	0	138,101	0	138,101
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	16,836	517,777	5,856,783	0	6,391,396
DETAILS OF WRITE-INS					
2501.					0
2502.					0
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0	0

(a) Includes management fees of \$5,811,476 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....12,091	.....12,091
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a).....	.....
1.3	Bonds of affiliates	(a).....0	.....
2.1	Preferred stocks (unaffiliated)	(b).....0	.....
2.11	Preferred stocks of affiliates	(b).....0	.....
2.2	Common stocks (unaffiliated) .....	.....0	.....
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....	.....
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	12,091	12,091
11.	Investment expenses		(g).....
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....0
17.	Net investment income (Line 10 minus Line 16)		12,091
DETAILS OF WRITE-INS			
0901.	.....	
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes \$1,091 accrual of discount less \$ amortization of premium and less \$0 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....			.....0	.....	.....
1.1	Bonds exempt from U.S. tax .....			.....0	.....	.....
1.2	Other bonds (unaffiliated) .....			.....0	.....	.....
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....	.....0
5.	Contract loans .....			.....0	.....	.....
6.	Cash, cash equivalents and short-term investments .....			.....0	.....0	.....0
7.	Derivative instruments .....			.....0	.....	.....
8.	Other invested assets .....	.....0	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses)	0	0	0	0	0
DETAILS OF WRITE-INS						
0901.	.....			.....0		
0902.	.....			.....0		
0903.	.....			.....0		
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	77,659	22,312	(55,347)
25. Aggregate write-ins for other-than-invested assets	0	2,000	2,000
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	77,659	24,312	(53,347)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	77,659	24,312	(53,347)
DETAILS OF WRITE-INS			
1101.		0	0
1102.		0	0
1103.		0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Assets.....		2,000	2,000
2502.		0	0
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	2,000	2,000

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	2,018	2,094	2,275	2,394	2,478	27,369
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
7. Total	2,018	2,094	2,275	2,394	2,478	27,369
DETAILS OF WRITE-INS						
0601. ....	.0					
0602. ....	.0					
0603. ....	.0					
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Michigan Complete Health, Inc. (the Company) are presented on the basis of accounting practices prescribed or permitted by the Michigan Department of Insurance.

The State of Michigan requires that insurance companies domiciled in the state of Michigan prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the State of Michigan Insurance Commissioner.

NET INCOME	SSAP#	F/S Page	F/S Line #	State of Domicile	2017	2016
(1) Michigan Complete Health, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	Michigan	\$ 636,228	\$ (600,794)
(2) State Prescribed Practices that are an increase (decrease) from NAIC SAP: e.g., Depreciation of fixed assets	-	-	-	Michigan	\$ -	\$ -
(3) State Permitted Practices that are an increase (decrease) from NAIC SAP: e.g., Depreciation of fixed assets, home office property	-	-	-	Michigan	\$ -	\$ -
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	Michigan	\$ 636,228	\$ (600,794)
SURPLUS						
(5) Michigan Complete Health, Inc. state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	Michigan	\$ 7,124,058	\$ 6,541,176
(6) State Prescribed Practices that are an increase (decrease) from NAIC SAP: e.g., Goodwill, net e.g., Fixed Assets, net	-	-	-	Michigan	\$ -	\$ -
(7) State Permitted Practices that are an increase (decrease) from NAIC SAP: e.g., Home Office Property	-	-	-	Michigan	\$ -	\$ -
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	Michigan	\$ 7,124,058	\$ 6,541,176

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

- Cash and short-term investments are carried at cost, which approximates fair value. Short-term investments include securities purchased within twelve months or less of maturity date.
- Investment grade bonds (NAIC designations 1 or 2) not backed by other loans are valued at amortized cost using the scientific (constant yield) method. Bonds containing call provisions, except “make whole” call provisions, are amortized to the call or maturity value/date which produces the lowest asset value (yield to worst). Bonds which are below investment grade (NAIC designation 3 to 6) are carried at lower of amortized cost or fair value.
- The Company holds no common stock.
- The Company holds no preferred stock.
- The Company holds no mortgage loans.
- The Company holds no loan-backed securities.
- The Company has no investments in subsidiaries, controlled or affiliated companies.
- The Company has no interest in joint ventures.
- The Company holds no derivatives.
- The Company reviews expectations regarding the profitability of contracts in force to determine whether a premium deficiency reserve is required. The Company considers anticipated investment income when calculating its premium deficiency reserves. The adequacy of reserve requirements is continually reviewed by management, with any reductions in the reserve being recorded as a beneficial effect in the statement of revenue and expense. The Company has a premium deficiency reserve of \$1,068,795 at December 31, 2017.
- Unpaid losses and loss adjustment expenses include amounts determined from claims estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount to be adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.

NOTES TO FINANCIAL STATEMENTS

- 12. The Company has not modified its capitalization policy from the prior period.
- 13. Pharmaceutical rebates are based on actual pharmaceutical claims experience.
- 14. Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

D. Going Concern

The Company’s management has not identified any conditions or events that raise substantial doubt about its ability to continue as a going concern

2. Accounting Changes and Corrections of Errors

The Company did not have any accounting changes for the year ended December 31, 2017; however, during the current years’ financial statement preparation, certain reclassifications of prior year amounts were made to the various exhibits and supplemental schedules to conform with 2017 Instructions for Required Filings in Michigan in the Significant Changes and Reminders for the 2017 Forms & Instructions. The Company did not have any accounting changes in the year ended December 31, 2017.

Specifically, the Company was instructed to include the premiums associated with MMP Duals Medicaid as a component of Medicare on the following Schedules: Underwriting and Investment Exhibit 1-2D, Exhibit of Premiums, Enrollment and Utilization and Schedule T. This reclassification does not affect the net income, surplus, or total assets and liabilities of the Company as of December 31, 2017 and 2016.

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

None

D. Loan-Backed Securities

None

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

For dollar repurchase agreements, Company policies require a minimum of 100% of the fair value of securities purchases agreements to be maintained as collateral. There were no dollar repurchase arrangements outstanding for the year ended December 31, 2017.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

None

H. Repurchase Agreements Transactions Accounted for as a Sale

None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

None

J. Real Estate

NOTES TO FINANCIAL STATEMENTS

None

K. Low-Income Housing Tax Credits (LIHTC)

None

L. Restricted Assets

1. Restricted Assets (Including Pledged)

	1	2	3	4	5	6
Restricted Asset Category	Total Gross Restricted from Current Year	Total Gross Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown						
b. Collateral held under security lending agreements						
c. Subject to repurchase agreements						
d. Subject to reverse repurchase agreements						
e. Subject to dollar repurchase agreements						
f. Subject to dollar reverse repurchase agreements						
g. Placed under option contracts						
h. Letter stock or securities restricted as to sale						
i. FHLB capital stock						
j. On deposit with states	\$ 1,099,593	\$ 1,098,503	\$ 1,090	\$ 1,099,593	9.1%	9.2%
k. On deposit with other regulatory bodies						
l. Pledged collateral to FHLB (including assets backing funding						
m. Pledged as collateral not captured in other categories						
n. Other restricted assets						
o. Total Restricted Assets	\$ 1,099,593	\$ 1,098,503	\$ 1,090	\$ 1,099,593	9.1%	9.2%

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories – None

3. Detail of Other Restricted Assets – None

4. Collateral Received and Reflected as Assets Within the Reporting Entity’s Financial Statements – None

M. Working Capital Finance Investments

None

N. Offsetting and Netting of Assets and Liabilities

None

O. Structured Notes

None

P. 5* Securities

None

Q. Short Sales

None

R. Prepayment Penalties and Acceleration Fees

None

6. Joint Ventures, Partnerships and Limited Liability Companies

NOTES TO FINANCIAL STATEMENTS

None

7. Investment Income

- A. Investment income due and accrued with amounts greater than 90 days past due are excluded from surplus.
- B. The total amount excluded was \$0.

8. Derivative Instruments

None

9. Income Tax

The 12/31/17 and 12/31/16 balances and related disclosures are calculated and presented pursuant to SSAP 101

A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

(1) DTA/DTL Components									
Description	Ordinary	2017 Capital	Total	Ordinary	2016 Capital	Total	Ordinary	Change Capital	Total
(a) Gross deferred tax assets	3,200,698	0	3,200,698	5,928,721	0	5,928,721	(2,728,083)	0	(2,728,083)
(b) Statutory valuation allowance adjustment	(3,199,823)	0	(3,199,823)	(5,924,283)	0	(5,924,283)	2,724,460	0	2,724,460
(c) Adjusted gross deferred tax assets	815	0	815	4,438	0	4,438	(3,623)	0	(3,623)
(d) Deferred tax assets nonadmitted	0	0	0	0	0	0	0	0	0
(e) Net admitted deferred tax assets	815	0	815	4,438	0	4,438	(3,623)	0	(3,623)
(f) Deferred tax liabilities	(815)	0	(815)	(4,437)	0	(4,437)	3,622	0	3,622
(g) Net admitted deferred tax asset (Net deferred tax liability)	0	0	0	1	0	1	(1)	0	(1)
(2) Admission calculation components:									
Description	Ordinary	2017 Capital	Total	Ordinary	2016 Capital	Total	Ordinary	Change Capital	Total
Admission calculation under ¶11a.-¶11.c.									
(a) FIT recoverable by loss carryback [¶11.a.]	0	0	0	0	0	0	0	0	0
(b) Expected to be realized [¶11.b.] (lesser of i or ii)	0	0	0	0	0	0	0	0	0
1. Expected to be realized [¶11.b.i]	0	0	0	0	0	0	0	0	0
2. Surplus limitation [¶11.b.ii]	1,086,353	0	1,086,353	981,177	0	981,177	0	0	0
(c) DTL offset [¶11.c.]	815	0	815	0	0	0	815	0	815
(d) Total admitted under ¶¶11a.-11.c.	815	0	815	0	0	0	815	0	815
Deferred tax liabilities	(815)	0	(815)	(4,437)	0	(4,437)	3,622	0	3,622
Net admitted deferred tax asset/liability under ¶11a.-¶11.c.	0	0	0	(4,437)	0	(4,437)	4,437	0	4,437
(3) Information used in expected to be realized calculation [¶11.b.]									
	2017		2016						
(a) ExDTA ACL RBC or other ratio	396%		389%						
(b) Adjusted capital and surplus	7,124,058		6,541,177						

(4) Tax planning strategies have not been used to admit DTAs.

B. Temporary differences for which DTLs have not been established:

Not applicable.

C. Current tax and change in deferred tax:

Description	2017	2016
(a) Current federal income tax expense	(531,674)	(634,957)
(b) Foreign Taxes	0	0
(c) Subtotal	(531,674)	(634,957)
(d) Tax on capital gains/(losses)	0	0
(e) Utilization of capital loss carryforwards	0	0
(f) Other, including prior year underaccrual (overaccrual)	(379)	(210)
(g) Federal and foreign income taxes incurred	(532,053)	(635,167)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

NOTES TO FINANCIAL STATEMENTS

(2) DTAs Resulting From Book/Tax Differences In	December 31, 2017	December 31, 2016	Change
(a) Ordinary			
(1) Discounting of unpaid losses and LAE	1,846	1,810	36
(2) Unearned premiums	0	0	0
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Goodwill	2,958,036	5,314,620	(2,356,584)
(7) Premium deficiency reserve	224,447	603,781	(379,334)
(8) Compensation and benefit accruals	0	0	0
(9) Pension accruals	0	0	0
(10) Nonadmitted assets	16,309	8,510	7,799
(11) Net operating loss carryforward	0	0	0
(12) Tax credit carryforward	0	0	0
(13) Other (separately disclose items >5%)	0	0	0
(99) Gross ordinary DTAs	3,200,638	5,928,721	(2,728,083)
(b) Statutory valuation adjustment adjustment - ordinary	(3,199,823)	(5,924,283)	2,724,460
(c) Nonadmitted ordinary DTAs (-)	0	0	0
(d) Admitted ordinary DTAs	<u>815</u>	<u>4,438</u>	<u>(3,623)</u>
(e) Capital			
(1) Investments	0	0	0
(2) Net capital loss carryforward	0	0	0
(3) Real estate	0	0	0
(4) Other (separately disclose items >5%)	0	0	0
Unrealized capital losses	0	0	0
(99) Gross capital DTAs	0	0	0
(f) Statutory valuation adjustment adjustment - capital (-)	0	0	0
(g) Nonadmitted capital DTAs (-)	0	0	0
(h) Admitted capital DTAs	<u>0</u>	<u>0</u>	<u>0</u>
(i) Admitted DTAs	<u>815</u>	<u>4,438</u>	<u>(3,623)</u>

(3) DTLs Resulting From Book/Tax Differences In	December 31, 2017	December 31, 2016	Change
(a) Ordinary			
(1) Investments	(563)	(210)	(353)
(2) Fixed assets	0	0	0
(3) Deferred and uncollected premiums	0	0	0
(4) Policyholder reserves/salvage and subrogation	0	0	0
(5) Other (separately disclose items >5%)	<u>(252)</u>	<u>(4,227)</u>	<u>3,975</u>
(99) Ordinary DTLs	<u>(815)</u>	<u>(4,437)</u>	<u>3,622</u>
(b) Capital			
(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (separately disclose items >5%)	0	0	0
Unrealized capital gains	0	0	0
(99) Capital DTLs	<u>0</u>	<u>0</u>	<u>0</u>
(c) DTLs	<u>(815)</u>	<u>(4,437)</u>	<u>3,622</u>
(4) Net deferred tax assets/liabilities	<u>0</u>	<u>1</u>	<u>(1)</u>

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

NOTES TO FINANCIAL STATEMENTS

	December 31, 2017	December 31, 2016	Change
Total deferred tax assets	3,200,638	5,928,720	(2,728,082)
Total deferred tax liabilities	(815)	(4,437)	3,622
Net deferred tax assets/liabilities	3,199,823	5,924,283	(2,724,460)
Statutory valuation allowance adjustment (*see explanation below)	(3,199,823)	(5,924,283)	2,724,460
Net deferred tax assets/liabilities after SVA	0	0	(0)
Tax effect of unrealized gains/(losses)	0	0	0
Change in net deferred income tax [(charge)/benefit]	0	0	(0)

The valuation allowance adjustment to gross deferred tax assets as of December 31, 2017 and 2016 was \$3,199,823 and \$5,924,283, respectively. The net change in the total valuation allowance for the year ended December 31, 2017 was a decrease of \$2,724,460.

D. Reconciliation of federal income tax rate to actual effective rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

Description	2017	Effective Tax Rate	2016	Effective Tax Rate
Income Before Taxes	222,465		(1,235,961)	
Statutory tax rate	35%		35%	
Expected income tax benefit at 35% statutory tax rate	77,863	35.00%	(432,586)	35.00%
Tax-Exempt Interest	0	0.00%	0	0.00%
Dividends Received Deduction	0	0.00%	0	0.00%
Health Insurer Fee	0	0.00%	350,659	-28.37%
Meals & Entertainment, Penalties, Etc.	0	0.00%	0	0.00%
Acquisition of 197 asset	0	0.00%	(3,691,979)	298.71%
Statutory Valuation Allowance Adjustment	(2,724,460)	-1224.67%	3,079,204	-249.13%
Write-off of NOLs & start-up costs	0	0.00%	0	0.00%
Change in Enacted Tax Rates	2,133,215	958.90%	0	0.00%
Deferred Taxes on Nonadmitted Assets	(18,671)	-8.39%	58,821	-4.76%
Other, Including Prior Year True-Up	0	0.00%	715	-0.06%
Total	(532,053)	-239.16%	(635,166)	51.39%
Federal income taxed incurred [expense/(benefit)]	(532,053)	-239.16%	(635,166)	51.39%
Tax on capital gains/(losses)	0	0.00%	0	0.00%
Change in net deferred income tax [charge/(benefit)]	1	0.00%	0	0.00%
Total statutory income taxes	(532,052)	-239.16%	(635,166)	51.39%

E. Carryforwards, recoverable taxes, and IRC §6603 deposits:

At Decer	Year	Ordinary	Capital	Total	rds available to tax purposes.
	2016	0	0	0	
The	2017	0	0	0	oment in the event of future net
losse	Total	0	0	0	

Deposits admitted under IRC § 6603: None.

F. Tax Contingencies and Uncertainties

During 2017, the Company calculated a multi-year benefit relating to domestic production activities. Due to the uncertain nature of this benefit, the full amount has been reserved through a tax contingency. The benefit and reserve for this item are captured in long-term assets, for a net balance sheet effect of \$0.

G. Tax Reform

On December 22, 2017, the United States enacted tax reform legislation through the Tax Cuts and Jobs Act, which significantly changes the existing U.S. tax laws, including a reduction in the corporate tax rate from 35% to 21%, as well as other changes. As a result of enactment of the legislation, the Company incurred an additional one-time surplus increase (decrease) during the 4th quarter of 2017, primarily related to the remeasurement of certain deferred tax assets and liabilities.

H. The Company and Centene Corporation are members of an affiliated group that files a consolidated federal tax return. The regulated companies that are included in the filing of this consolidated return are:

NOTES TO FINANCIAL STATEMENTS

Absolute Total Care, Inc.	Health Net Health Plan of Oregon, Inc.
Bankers Reserve Life Insurance Company of Wisconsin	Home State Health Plan, Inc.
Buckeye Community Health Plan, Inc.	IlliniCare Health Plan, Inc.
California Health and Wellness Plan	Kentucky Spirit Health Plan, Inc.
CeltiCare Health Plan of Massachusetts, Inc.	Louisiana Healthcare Connections, Inc.
Cempatico of Arizona Inc.	Magnolia Health Plan Inc.
Coordinated Care Corporation	Managed Health Network
Coordinated Care of Washington, Inc.	Managed Health Services Insurance Corp.
Envolve Vision of Texas, Inc.	Nebraska Total Care, Inc.
Granite State Health Plan, Inc.	Peach State Health Plan, Inc.
Hallmark Life Insurance Co.	SilverSummit Healthplan, Inc.
Health Net Access, Inc.	Sunflower State Health Plan, Inc.
Health Net of Arizona, Inc.	Sunshine State Health Plan, Inc.
Health Net of California, Inc.	Sunshine Health Community Solutions, Inc.
Health Net Community Solutions, Inc.	Superior HealthPlan, Inc.
Health Net Community Solutions of Arizona, Inc.	Superior HealthPlan Community Solutions, Inc.
Health Net Life Insurance Company	Trillium Community Health Plan, Inc.
Health Net Life Reinsurance Company	

The method of allocation among companies is subject to a written agreement whereby allocation is made primarily on a separate company basis using the percentage method pursuant to provisions of IRC Sections 1502 and 1552 and Treasury Regulations 1.1502 and 1.1552. This percentage method allocates a tax asset (i.e. intercompany receivable) for any benefit derived by the consolidated group for the member's losses or credits that offset consolidated taxable income. In accordance with the tax sharing agreement, each member shall pay to Parent or receive from the Parent the amount of tax liability or benefit reported on each member's proforma federal income tax return within 90 days of the date Parent files its consolidated federal income tax return.

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B., C., D., F.

Centene Management Company LLC has provided data, claims processing, case management, care coordination, and general management services to the Company. Administrative and Medical Expenses for the year ending December 31, 2017 and December 31, 2016 included \$5,811,476 and \$5,178,178, respectively, for such services. Amounts due (to) from at December 31, 2017 and December 31, 2016 included (\$951,349) and \$1,834, respectively, for true-up of management fees and expenses paid on behalf of the company.

Envolve PeopleCare, Inc. provides triage services and outbound calling services to the Company. Medical expenses for the year ending December 31, 2017 and December 31, 2016 were \$16,231 and \$16,406, respectively. Amounts due (to) from at December 31, 2017 and December 31, 2016 included \$1,474 and (\$1,205), respectively, for such services.

During 2017 and 2016, Centene Corporation contributed \$0 and \$2,000,000, respectively, to the surplus of the Company.

E. Guarantees

None

G. Control Relationship

As of May 1, 2015, the Company is wholly owned by Centene Corporation.

H. Upstream Intermediate Entity

None

I. Investment in an SCA Entity

None

J. Investment in Impaired SCA Entity

None

K. Investment in Foreign Insurance Subsidiary

None

L. Investment in Downstream Noninsurance Holding Company

None

M. All SCA Investments

None

NOTES TO FINANCIAL STATEMENTS

N. Investments in Insurance SCAs

None

11. Debt

None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

None

13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations

- 1) The Company has 100 shares authorized, 100 shares issued, and 100 shares outstanding. All shares are common shares.
- 2) The Company had no preferred stock outstanding.
- 3) No extraordinary dividends or other extraordinary distributions to shareholder until 30 days after the commissioner has received notice of the declaration thereof and has not within such period disapproved such payment. For purposes of this section, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property, whose fair market value together with that of other dividends or distributions made within the preceding twelve months exceeds the greater of ten percent of such insurer’s surplus as regards to policy holders as of December 31 next preceding, or the net gain from operations of such insurer, not including realized capital gains, for the twelve-month period ended December 31. Any other provision of law to the contrary notwithstanding, an insurer may declare an extraordinary dividend or distribution which is conditional upon the commissioner’s approval thereof, and such a declaration confers no rights upon shareholders until the commissioner has approved the payment of such dividend or distribution or the commissioner has not disapproved such payment within the thirty-day period.
- 4) The Company paid no dividends for the years ended December 31, 2017 and 2016.
- 5) Within the limitation of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- 6) There were no restrictions placed on the Company’s surplus, including for whom the surplus is being held.
- 7) The Company has no advances to surplus not repaid.
- 8) The Company held no stock.
- 9) The increase in the special surplus funds from the prior year is due to the projected annual fee under section 9010 of the Affordable Care Act to be paid on September 30, 2018 based on business written in 2017.
- 10) There were no unassigned funds (surplus) represented or reduced by cumulative unrealized gains or losses.
- 11) The Company has no surplus notes.
- 12) The Company was not involved in a quasi-reorganization.
- 13) The Company has not been involved in a quasi-reorganization in the last 10 years.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

None

B. Assessments

None

C. Gain Contingencies

None

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

None

E. Joint and Several Liabilities

None

F. All Other Contingencies

NOTES TO FINANCIAL STATEMENTS

Various lawsuits against the Company have arisen in the course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company

15. Leases

None

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans

None

B. ASC Plans

None

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

As of December 31, 2017, the Company recorded a net payable from CMS that is greater than 10% of the Company’s amounts payable from uninsured accident and health plans or \$10,000. The total balance for the Medicare Part D low-income subsidy and reinsurance subsidy is \$1,420,416.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None

20. Fair Value Measurement

- A. Assets and liabilities recorded at fair value in the statutory statement of admitted assets, liabilities and capital and surplus are categorized based upon the extent to which the fair value estimates are based upon observable or unobservable inputs.

Level inputs are as follows:

Level input	Input definition
Level I	Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The following table summarizes fair value measurements by level at December 31, 2017 for assets and liabilities measured at fair value on a recurring basis:

NOTES TO FINANCIAL STATEMENTS

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Cash and Short-Term Investments				
Cash	\$ 5,069,863	\$ -	\$ -	\$ 5,069,863
Short-Term Investments	\$ -	-	-	-
Total Cash and Short-Term Investments	\$ 5,069,863	\$ -	\$ -	\$ 5,069,863
Perpetual Preferred stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -
Bonds				
U.S. Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	-	-	-
Hybrid Securities	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	\$ -	\$ -	\$ -	\$ -
Common Stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Common Stocks	\$ -	\$ -	\$ -	\$ -
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 5,069,863	\$ -	\$ -	\$ 5,069,863
b. Liabilities at fair value				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

The following table summarizes fair value measurements by level at December 31, 2016 for assets and liabilities measured at fair value on a recurring basis:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Cash and Short-Term Investments				
Cash	\$ 1,916,165	\$ -	\$ -	\$ 1,916,165
Short-Term Investments	\$ -	-	-	-
Total Cash and Short-Term Investments	\$ 1,916,165	\$ -	\$ -	\$ 1,916,165
Perpetual Preferred stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -
Bonds				
U.S. Governments	\$ -	\$ -	\$ -	\$ -
Industrial and Misc	-	-	-	-
Hybrid Securities	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Bonds	\$ -	\$ -	\$ -	\$ -
Common Stock				
Industrial and Misc	\$ -	\$ -	\$ -	\$ -
Parent, Subsidiaries and Affiliates	-	-	-	-
Total Common Stocks	\$ -	\$ -	\$ -	\$ -
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 1,916,165	\$ -	\$ -	\$ 1,916,165
b. Liabilities at fair value				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

B. None

C. The following table summarizes the aggregate fair value measurements by level at December 31, 2017 for all financial instruments.

NOTES TO FINANCIAL STATEMENTS

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level I	Level II	Level III	Not Practicable (Carrying Value)
Total Cash and						
Short-Term Investments	\$ 5,069,863	\$ 5,069,863	\$ 5,069,863	\$ -	\$ -	\$ -
Bonds	1,098,449	1,099,593	1,098,449	-	-	-
Common Stock	-	-	-	-	-	-
Perpetual Preferred Stock	-	-	-	-	-	-
Mortgage Loans	-	-	-	-	-	-
Total	\$ 6,168,312	\$ 6,169,457	\$ 6,168,312	\$ -	\$ -	\$ -

The following table summarizes the aggregate fair value measurements by level at December 31, 2016 for all financial instruments.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level I	Level II	Level III	Not Practicable (Carrying Value)
Total Cash and						
Short-Term Investments	\$ 1,916,165	\$ 1,916,165	\$ 1,916,165	\$ -	\$ -	\$ -
Bonds	1,099,615	1,098,503	1,099,615	-	-	-
Common Stock	-	-	-	-	-	-
Perpetual Preferred Stock	-	-	-	-	-	-
Mortgage Loans	-	-	-	-	-	-
Total	\$ 3,015,780	\$ 3,014,668	\$ 3,015,780	\$ -	\$ -	\$ -

D. None

21. Other Items

A. Extraordinary Items

None

B. Troubled Debt Restructuring: Debtors

None

C. Other Disclosures and Unusual Items

Assets in the amount of \$1,099,593 and \$1,098,503 at December 31, 2017 and December 31, 2016, respectively, were on deposit with government authorities or trustees as required by law.

D. Business Interruption Insurance Recoveries

None

E. State Transferable and Non-Transferable Tax Credits

None

F. Subprime Mortgage Related Risk Exposure

None

G. Retained Assets

None

H. Insurance-Linked Securities (ILS) Contracts

None

22. Events Subsequent

Type I

None

Type II

NOTES TO FINANCIAL STATEMENTS

Subsequent events have been considered through February 28, 2018 for the statutory statement issued as of December 31, 2017 on 2/28/2018.

On January 1, 2018, the Company will be subject to an annual fee under section 9010 of the Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity’s net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2017, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2018, and estimates its portion of the annual health insurance industry fee to be payable on September 30, 2018 to be \$877,570. Had the estimated ACA fee assessment payable been recorded as of December 31, 2017, the estimated impact to risk based capital would have been a reduction from approximately 396% risk based capital to approximately 347%. During 2018, we expect to be reimbursed by the Michigan Department of Health and Human Services in order to maintain actuarial soundness of our premiums, which would offset this negative surplus and RBC impact that could occur on an interim basis.

	<u>Current Year</u>	<u>Prior Year</u>
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	<u>Yes</u>	
B. ACA fee assessment payable for the upcoming year	\$ 877,570	\$ -
C. ACA fee assessment paid	\$ -	\$ 1,001,882
D. Premium written subject to ACA 9010 assessment	\$ 46,244,346	\$ -
E. Total Adjusted Capital before surplus adjustment	\$ 7,124,058	
F. Total Adjusted Capital after surplus adjustment	\$ 6,246,488	
G. Authorized Control Level	\$ 1,800,576	
H. Would reporting the ACA assessment as of December 31, 2017, have triggered an RBC action level (YES/NO)?	<u>NO</u>	

23. Reinsurance

- A. Ceded Reinsurance Report
- None
- B. Uncollectible Reinsurance
- None
- C. Commutation of Ceded Reinsurance
- None
- D. Certified Reinsurance Rating Downgraded or Status Subject to Revocation
- None

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A., B. C.
- The Company participates in Medicare Advantage Special Needs Plans and a Medicaid-Medicare Dual Demonstration Program under contracts with Centers for Medicare and Medicaid Services and the Michigan Department of Health and Human Services.
- Medicare revenue paid to the Company is subject to retroactive adjustment predicated upon membership acuity. Based on member encounter data the Company submits to CMS, the Company’s Medicare revenue is subject to adjustment for up to two years after a member’s eligibility month. Adjustments to earned premium are estimated based primarily upon members’ utilization patterns. In 2016 and 2017, the Company had net premiums related to its Medicare contracts of \$35,777,192 and \$35,855,790, respectively, representing 76% and 66% of the Company’s total net premiums in 2016 and 2017, respectively.
- D. Medical Loss Ratio Rebates Required per Public Health Service Act
- None

NOTES TO FINANCIAL STATEMENTS

E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

None

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. Reserves for incurred claims and claim adjustment expenses as of December 31, 2016 were \$0.7 million. As of December 31, 2017, \$0.7 million has been paid for incurred claims and claims adjustment expense attributable to insured events of prior years. Reserves remaining for prior years are now \$38,927, as a result of re-estimation of unpaid claims and claims adjustment expenses. Therefore there has been (0.1) million unfavorable prior-year development since December 31, 2016. The change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.
- B. There has been no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expense.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

- 1. Pharmaceutical Rebate Receivables

None

- 2. Risk Sharing Receivables

None

29. Participating Policies

None

30. Premium Deficiency Reserves

- | | |
|--|------------------|
| 1. Liability carried for premium deficiency reserves | \$1,068,795 |
| 2. Date of the most recent evaluation of this liability | January 31, 2018 |
| 3. Was anticipated investment income utilized in this calculation? | Yes |

31. Anticipated Salvage and Subrogation

None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

Michigan.....
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:

.....
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2017
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2012
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....06/24/2014
- 3.4

By what department or departments? Michigan Department of Insurance and Financial Services.....
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ N/A ☒
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ N/A ☐
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes ☐ No ☒

4.12 renewals? Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes ☐ No ☒

4.22 renewals? Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....
.....
.....

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,
- 7.21

State the percentage of foreign control

.....0.0
- 7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....
.....
.....
.....
.....

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, 10 S. Broadway, Suite 900. St. Louis, MO 63102.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Matt Kranovich, Milliman, 71 S. Wacker Drive, Chicago IL 60606.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

0

\$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s)

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?
- Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?
- Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
- Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?
- Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....
- 20.12 To stockholders not officers \$.....
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
- 20.22 To stockholders not officers \$.....
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
- 21.22 Borrowed from others \$.....
- 21.23 Leased from others \$.....
- 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....
- 22.22 Amount paid as expenses \$.....
- 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- \$.....

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
- \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
- \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
- Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
- 24.103 Total payable for securities lending reported on the liability page \$.....0

GENERAL INTERROGATORIES

- 25.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes ☒ No ☐
- 25.2

If yes, state the amount thereof at December 31 of the current year:

25.21

Subject to repurchase agreements

\$

25.22

Subject to reverse repurchase agreements

\$

25.23

Subject to dollar repurchase agreements

\$

25.24

Subject to reverse dollar repurchase agreements

\$

25.25

Placed under option agreements

\$

25.26

Letter stock or securities restricted as to sale – excluding FHLB Capital Stock

\$

25.27

FHLB Capital Stock

\$

25.28

On deposit with states

\$

25.29

On deposit with other regulatory bodies

\$1,099,593

25.30

Pledged as collateral – excluding collateral pledged to an FHLB

\$

25.31

Pledged as collateral to FHLB – including assets backing funding agreements

\$

25.32

Other

\$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....
.....

- 26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes ☐ No ☒
- 26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes ☐ No ☐ N/A ☒
- 27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes ☐ No ☒
- 27.2

If yes, state the amount thereof at December 31 of the current year.

\$
28.

Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity’s offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian’s Address
JP Morgan Chase.....	Chase Manhattan Plaza, New York, New York 10005-1489.....

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....
.....

- 28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes ☐ No ☒
- 28.04

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....
.....

GENERAL INTERROGATORIES

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [] No []

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [] No []

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	1,099,593	1,098,449	(1,144)
30.2 Preferred Stocks.....	0		0
30.3 Totals	1,099,593	1,098,449	(1,144)

30.4 Describe the sources or methods utilized in determining the fair values:

Our primary pricing vendor is SE, provided through Clearwater. Where SE pricing is not available, we revert to Reuters, provided through Clearwater.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No []

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements of each self-designated 5*GI security:
- a.Documentation necessary to permit a full credit analysis of the security does not exist.
 - b.Issuer or obligor is current on all contracted interest and principal payments.
 - c.The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes [] No [X]

OTHER

- 34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$0
- 34.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

- 35.1 Amount of payments for legal expenses, if any? \$1,858
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Armstrong Teasdale LLP.....	\$.....1,858

- 36.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$0
- 36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2 If yes, indicate premium earned on U.S. business only.

\$0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned

\$0

1.62 Total incurred claims

\$0

1.63 Number of covered lives

.....0

All years prior to most current three years:

1.64 Total premium earned

\$0

1.65 Total incurred claims

\$0

1.66 Number of covered lives

.....0

1.7 Group policies:

Most current three years:

1.71 Total premium earned

\$0

1.72 Total incurred claims

\$0

1.73 Number of covered lives

.....0

All years prior to most current three years:

1.74 Total premium earned

\$0

1.75 Total incurred claims

\$0

1.76 Number of covered lives

.....0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$54,431,057	\$	.....46,875,769
2.2	Premium Denominator	\$54,312,766	\$	.....46,875,769
2.3	Premium Ratio (2.1/2.2)	.....1.002		.....1.000
2.4	Reserve Numerator	\$2,286,006	\$	.....2,395,606
2.5	Reserve Denominator	\$2,286,006	\$	.....2,395,606
2.6	Reserve Ratio (2.4/2.5)	.....1.000		.....1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No [X]

5.1 Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical

\$1,250,000

5.32 Medical Only

\$

5.33 Medicare Supplement

\$

5.34 Dental and Vision

\$

5.35 Other Limited Benefit Plan

\$

5.36 Other

\$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
The Company protects subscribers adn their dependents against the risk of insolvency through the reinsurance contract with PartnerRe America Insurance Company.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

.....5,900

8.2 Number of providers at end of reporting year

.....7,125

9.1 Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

.....

9.22 Business with rate guarantees over 36 months

.....

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes [] No [X]
- 10.2 If yes:

10.21 Maximum amount payable bonuses\$.....

10.22 Amount actually paid for year bonuses\$.....

10.23 Maximum amount payable withholds\$.....

10.24 Amount actually paid for year withholds\$.....
- 11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,Yes [] No [X]

11.13 An Individual Practice Association (IPA), or,Yes [] No [X]

11.14 A Mixed Model (combination of above) ?Yes [] No [X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?

Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.

Michigan.....
- 11.4 If yes, show the amount required.

\$.....3,601,152
- 11.5 Is this amount included as part of a contingency reserve in stockholder’s equity?

Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation

200% of ACL
12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
Wayne County.....
Macomb County.....
Oakland County.....
Washtenah County.....
Allegan County.....
Bay County.....
Genesee County.....
Jackson County.....
Kalamazoo County.....
Kent County.....
Muskegan County.....
Saginaw County.....

- 13.1 Do you act as a custodian for health savings accounts?

Yes [] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$.....
- 13.3 Do you act as an administrator for health savings accounts?

Yes [] No [X]
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$.....
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3 as authorized reinsurers?

Yes [] No [N/A] [X]
- 14.2 If the answer to 14.1 is yes, please provide the following:

1	2	3	4	Assets Supporting Reserve Credit		
				5	6	7
Company Name	NAIC Company Code	Domiciliary Jurisdiction	Reserve Credit	Letters of Credit	Trust Agreements	Other

15. Provide the following for Individual ordinary life insurance* policies (U.S. business Only) for the current year:

15.1 Direct Premium Written (prior to reinsurance ceded)\$.....

15.2 Total incurred claims\$.....

15.3 Number of covered lives.....

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without Secondary Guarantee)
Universal Life (with or without Secondary Guarantee)
Variable Universal Life (with or without Secondary Guarantee)

FIVE - YEAR HISTORICAL DATA

	1 2017	2 2016	3 2015	4 2014	5 2013
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	11,986,815	10,627,096	11,294,039	8,751,127	6,835,614
2. Total liabilities (Page 3, Line 24)	4,862,759	4,085,919	6,280,990	3,873,020	2,342,947
3. Statutory minimum capital and surplus requirement	3,601,152	3,362,631	3,622,660	3,000,000	3,000,000
4. Total capital and surplus (Page 3, Line 33)	7,124,058	6,541,176	5,013,049	4,878,107	4,492,667
Income Statement (Page 4)					
5. Total revenues (Line 8)	54,312,766	46,875,769	60,547,362	30,723,525	20,505,214
6. Total medical and hospital expenses (Line 18)	48,360,719	41,783,022	55,382,356	25,158,547	17,947,216
7. Claims adjustment expenses (Line 20)	616,266	489,379	618,195	1,455,065	731,330
8. Total administrative expenses (Line 21)	5,899,991	6,299,694	6,540,437	4,365,196	2,193,991
9. Net underwriting gain (loss) (Line 24)	92,083	(1,248,051)	(4,166,991)	(255,283)	(367,323)
10. Net investment gain (loss) (Line 27)	12,091	12,091	9,597	2,771	20,662
11. Total other income (Lines 28 plus 29)	0	0	84,171	252,512	242,314
12. Net income or (loss) (Line 32)	636,227	(600,794)	(3,350,756)	0	(68,852)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	3,153,697	(2,747,285)	(7,236,718)	760,628	(1,073,160)
Risk-Based Capital Analysis					
14. Total adjusted capital.....	7,124,058	6,541,176	5,013,049	4,878,107	4,492,667
15. Authorized control level risk-based capital.....	1,800,576	1,680,960	1,811,330	1,268,915	1,042,463
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	2,478	4,125	7,540	2,268	1,271
17. Total members months (Column 6, Line 7)	27,369	54,547	67,810	21,450	11,416
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	89.0	89.1	91.5	81.9	87.5
20. Cost containment expenses	0.0	0.0	0.0	0.0	0.0
21. Other claims adjustment expenses	1.1	1.0	2.8	4.7	3.6
22. Total underwriting deductions (Line 23)	99.8	102.7	106.9	100.8	101.8
23. Total underwriting gain (loss) (Line 24)	0.2	(2.7)	(6.9)	(0.8)	(1.8)
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	742,519	3,542,389	2,032,257	1,280,159	2,176,175
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	670,518	3,363,421	2,079,095	2,024,526	2,480,204
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31.....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3 - Accounting Changes and Correction of Errors?.....Yes [] No []

If no, please explain

.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

			1	Direct Business Only							
			2	3	4	5	6	7	8	9	
State, Etc.			Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Consideration s	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama	AL	N							0	0
2.	Alaska	AK	N							0	0
3.	Arizona	AZ	N							0	0
4.	Arkansas	AR	N							0	0
5.	California	CA	N							0	0
6.	Colorado	CO	N							0	0
7.	Connecticut	CT	N							0	0
8.	Delaware	DE	N							0	0
9.	District of Columbia	DC	N							0	0
10.	Florida	FL	N							0	0
11.	Georgia	GA	N							0	0
12.	Hawaii	HI	N							0	0
13.	Idaho	ID	N							0	0
14.	Illinois	IL	N							0	0
15.	Indiana	IN	N							0	0
16.	Iowa	IA	N							0	0
17.	Kansas	KS	N							0	0
18.	Kentucky	KY	N							0	0
19.	Louisiana	LA	N							0	0
20.	Maine	ME	N							0	0
21.	Maryland	MD	N							0	0
22.	Massachusetts	MA	N							0	0
23.	Michigan	MI	L		54,432,152					54,432,152	0
24.	Minnesota	MN	N							0	0
25.	Mississippi	MS	N							0	0
26.	Missouri	MO	N							0	0
27.	Montana	MT	N							0	0
28.	Nebraska	NE	N							0	0
29.	Nevada	NV	N							0	0
30.	New Hampshire	NH	N							0	0
31.	New Jersey	NJ	N							0	0
32.	New Mexico	NM	N							0	0
33.	New York	NY	N							0	0
34.	North Carolina	NC	N							0	0
35.	North Dakota	ND	N							0	0
36.	Ohio	OH	N							0	0
37.	Oklahoma	OK	N							0	0
38.	Oregon	OR	N							0	0
39.	Pennsylvania	PA	N							0	0
40.	Rhode Island	RI	N							0	0
41.	South Carolina	SC	N							0	0
42.	South Dakota	SD	N							0	0
43.	Tennessee	TN	N							0	0
44.	Texas	TX	N							0	0
45.	Utah	UT	N							0	0
46.	Vermont	VT	N							0	0
47.	Virginia	VA	N							0	0
48.	Washington	WA	N							0	0
49.	West Virginia	WV	N							0	0
50.	Wisconsin	WI	N							0	0
51.	Wyoming	WY	N							0	0
52.	American Samoa	AS	N							0	0
53.	Guam	GU	N							0	0
54.	Puerto Rico	PR	N							0	0
55.	U.S. Virgin Islands	VI	N							0	0
56.	Northern Mariana Islands	MP	N							0	0
57.	Canada	CAN	N							0	0
58.	Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59.	Subtotal.....		XXX	0	54,432,152	0	0	0	0	54,432,152	0
60.	Reporting entity contributions for Employee Benefit Plans.....		XXX							0	
61.	Total (Direct Business)	(a)	1	0	54,432,152	0	0	0	0	54,432,152	0
DETAILS OF WRITE-INS											
58001.			XXX								
58002.			XXX								
58003.			XXX								
58998.	Summary of remaining write-ins for Line 58 from overflow page.....		XXX	0	0	0	0	0	0	0	0
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		XXX	0	0	0	0	0	0	0	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc. The company only has business in the state of Michigan.

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**PART 1 - ORGANIZATIONAL CHART**

Centene Corporation	42-1406317	DE	
Bankers Reserve Life Insurance Company of Wisconsin	39-0993433	WI	71013
Health Plan Real Estate Holding, Inc (17%)	46-2860967	MO	
Peach State Health Plan, Inc	20-3174593	GA	12315
Health Plan Real Estate Holding, Inc (21%)	46-2860967	MO	
Iowa Total Care, Inc	46-4829006	IA	15713
Buckeye Community Health Plan, Inc	32-0045282	OH	11834
Health Plan Real Estate Holding, Inc (13%)	46-2860967	MO	
Absolute Total Care, Inc	20-5693998	SC	12959
Health Plan Real Estate Holding, Inc (1%)	46-2860967	MO	
Physicians Choice, LLC	59-3807546	SC	
PhyTrust of South Carolina LLC	65-1206841	FL	
Coordinated Care Corporation d/b/a Managed Health Services	39-1821211	IN	95831
Health Plan Real Estate Holding, Inc (15%)	46-2860967	MO	
Healthy Washington Holdings, Inc	46-5523218	DE	
Coordinated Care of Washington, Inc	46-2578279	WA	15352
Managed Health Services Insurance Corp	39-1678579	WI	96822
Health Plan Real Estate Holding, Inc (2%)	46-2860967	MO	
Hallmark Life Insurance Co	86-0819817	AZ	60078
Superior HealthPlan, Inc	74-2770542	TX	95647
Health Plan Real Estate Holding, Inc (21%)	46-2860967	MO	
Healthy Louisiana Holdings LLC	27-0916294	DE	
Louisiana Healthcare Connections, Inc	27-1287287	LA	13970
Magnolia Health Plan Inc	20-8570212	MS	13923
IlliniCare Health Plan, Inc	27-2186150	IL	14053
Health Plan Real Estate Holding, Inc (5%)	46-2860967	MO	
Sunshine Health Holding LLC	26-0557093	FL	
Sunshine State Health Plan, Inc	20-8937577	FL	13148
Access Health Solutions LLC	56-2384404	FL	
Kentucky Spirit Health Plan, Inc	45-1294925	KY	14100
Healthy Missouri Holding, Inc (95%)	45-5070230	MO	
Home State Health Plan, Inc	45-2798041	MO	14218
Health Plan Real Estate Holding, Inc (5%)	46-2860967	MO	
Sunflower State Health Plan, Inc	45-3276702	KS	14345
Granite State Health Plan, Inc	45-4792498	NH	14226
California Health and Wellness Plan	46-0907261	CA	
Michigan Complete Health, Inc.	30-0312489	MI	10769
Western Sky Community Care, Inc.	45-5583511	NM	
SilverSummit Healthplan, Inc.	20-4761189	NV	16143
Agate Resources, Inc.	20-0483299	OR	
Trillium Community Health Plan, Inc.	42-1694349	OR	12559

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**PART 1 - ORGANIZATIONAL CHART**

Agate Properties, LLC	26-4475075	OR	
Nebraska Total Care, Inc.	47-5123293	NE	15902
Pennsylvania Health & Wellness, Inc.	47-5340613	PA	16041
Superior HealthPlan Community Solutions, Inc.	47-5664832	TX	15912
Sunshine Health Community Solutions, Inc.	47-5667095	FL	15927
Buckeye Health Plan Community Solutions, Inc.	47-5664342	OH	16112
Arkansas Health & Wellness Health Plan, Inc.	81-1282251	AR	16130
Arkansas Total Care Holding Company, LLC (49%)	38-4042368	DE	
Arkansas Total Care, Inc.	82-2649097	AR	16256
Healthy Oklahoma Holdings, Inc.	81-2788043	DE	
Oklahoma Complete Health Inc.	81-3121527	OK	
Bridgeway Health Solutions, LLC	20-4980875	DE	
Bridgeway Health Solutions of Arizona Inc.	20-4980818	AZ	
Celtic Group, Inc	36-2979209	DE	
Celtic Insurance Company	06-0641618	IL	80799
Ambetter of Magnolia Inc	35-2525384	MS	15762
Ambetter of Peach State Inc.	36-4802632	GA	15729
Novasys Health, Inc	27-2221367	DE	
CeltiCare Health Plan Holdings LLC	26-4278205	DE	
CeltiCare Health Plan of Massachusetts, Inc.	26-4818440	MA	13632
Centene Management Company LLC	39-1864073	WI	
CMC Real Estate Co. LLC	20-0057283	DE	
Centene Center LLC	26-4094682	DE	
Centene Center I, LLC	82-1816153	DE	
Centene Center II, LLC	47-5156015	DE	
Centene Center III, LLC	82-3210933	DE	
CMC Hanley, LLC	46-4234827	MO	
Forhan, LLC	47-2914561	MO	
Hanley-Forsyth, LLC	37-1766939	MO	
GPT Acquisition LLC	45-5431787	DE	
Clayton Property Investment LLC	45-4372065	DE	
LSM Holdco, Inc.	46-2794037	DE	
Lifeshare Management Group, LLC	46-2798132	NH	
CCTX Holdings, LLC	20-2074217	DE	
Centene Company of Texas, LP (1%)	74-2810404	TX	
Centene Holdings, LLC	20-2074277	DE	
Centene Company of Texas, LP (99%)	74-2810404	TX	
MHS Travel & Charter, Inc	43-1795436	WI	
Health Care Enterprises, LLC	46-4855483	DE	
Envolve Holdings, Inc.	22-3889471	DE	
Cenpatico Behavioral Health, LLC	68-0461584	CA	

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**PART 1 - ORGANIZATIONAL CHART**

CBHSP Arizona, Inc	86-0782736	AZ	
Cenpatico of California, Inc	47-2595704	CA	
Integrated Mental Health Mgmt, LLC	74-2892993	TX	
Integrated Mental Health Services	74-2785494	TX	
Cenpatico Behavioral Health of Arizona, LLC	20-1624120	AZ	
Cenpatico of Arizona Inc. (80%)	80-0879942	AZ	
Envolve, Inc.	37-1788565	DE	
AHA Administrative Services, LLC	47-4545413	AL	
Envolve - New York, Inc.	47-3454898	NY	
Community Care of Central Colorado, LLC	82-2288767	DE	
Envolve PeopleCare, Inc.	06-1476380	DE	
LiveHealthier, Inc.	47-2516714	DE	
Envolve Benefits Options, Inc.	61-1846191	DE	
Envolve Vision Benefits, Inc.	20-4730341	DE	
Envolve Captive Insurance Company, Inc.	36-4520004	SC	
Envolve Vision of Texas, Inc.	75-2592153	TX	95302
Envolve Vision, Inc	20-4773088	DE	
Envolve Vision of Florida, Inc	65-0094759	FL	
Envolve Total Vision, Inc.	20-4861241	DE	
Envolve Vision of New York, Inc.	06-1635519	NY	
Envolve Dental, Inc.	46-2783884	DE	
Envolve Dental of Florida, Inc.	81-2969330	FL	
Envolve Dental of Texas, Inc.	81-2796896	TX	16106
Envolve Pharmacy Solutions, Inc.	77-0578529	DE	
LBB Industries, Inc	76-0511700	TX	
RX Direct, Inc	75-2612875	TX	
Envolve Pharmacy IPA, LLC	46-2307356	NY	
Casenet LLC	90-0636938	DE	
Casenet S.R.O.	Foreign	CZE	
Centurion Group, Inc	61-1450727	DE	
Centurion LLC (51%)	90-0766502	DE	
Centurion of Arizona, LLC	81-4228054	AZ	
Centurion of Vermont, LLC	47-1686283	VT	
Centurion of Mississippi, LLC	47-2967381	MS	
Centurion of Tennessee, LLC	30-0752651	TN	
Massachusetts Partnership for Correctional Healthcare, LLC	61-1696004	MA	
Centurion of Minnesota, LLC	46-2717814	MN	
Centurion Correctional Healthcare of New Mexico, LLC	81-1161492	NM	
Centurion of Florida, LLC	81-0687470	FL	
Centurion of Illinois, LLC	81-3007264	IL	
Centurion of Maryland, LLC	81-4938030	MD	

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**PART 1 - ORGANIZATIONAL CHART**

Centurion of Philadelphia, LLC	81-5429405	PA
Specialty Therapeutic Care Holdings, LLC	27-3617766	DE
Specialty Therapeutic Care, LP (99.99%)	73-1698808	TX
Specialty Therapeutic Care, GP, LLC	73-1698807	TX
Specialty Therapeutic Care, LP (0.01%)	73-1698808	TX
Specialty Therapeutic Care West, LLC	26-2624521	TX
AcariaHealth Solutions, Inc.	80-0856383	DE
AcariaHealth, Inc.	45-2780334	DE
AcariaHealth Pharmacy #14, Inc	27-1599047	CA
AcariaHealth Pharmacy #11, Inc	20-8192615	TX
AcariaHealth Pharmacy #12, Inc	27-2765424	NY
AcariaHealth Pharmacy #13, Inc	26-0226900	CA
AcariaHealth Pharmacy, Inc	13-4262384	CA
HomeScripts.com, LLC	27-3707698	MI
New York Rx, Inc.	20-8235695	NY
Foundation Care, LLC (80%)	20-0873587	MO
U.S. Medical Management Holdings, Inc	27-0275614	DE
U.S. Medical Management, LLC (20%)	38-3153946	DE
U.S. Medical Management, LLC (80%)	38-3153946	DE
RMED, LLC	31-1733889	FL
IAH of Florida, LLC	47-2138680	FL
Heritage Home Hospice, LLC	51-0581762	MI
Grace Hospice of Austin, LLC	20-2827613	MI
ComfortBrook Hospice, LLC	20-1530070	OH
Comfort Hospice of Texas, LLC	20-4996551	MI
Grace Hospice of San Antonio, LLC	20-2827526	MI
Grace Hospice of Grand Rapids, LLC	45-0679248	MI
Grace Hospice of Indiana, LLC	45-0634905	MI
Grace Hospice of Virginia, LLC	45-5080637	MI
Comfort Hospice of Missouri, LLC	45-5080567	MI
Grace Hospice of Wisconsin, LLC	46-1708834	MI
Grace Hospice of Illinois, LLC	81-5129923	IL
Seniorcorps Peninsula, LLC	26-4435532	VA
R&C Healthcare, LLC	33-1179031	TX
Pinnacle Senior Care of Missouri, LLC	46-0861469	MI
Country Style Health Care, LLC	03-0556422	TX
Phoenix Home Health Care, LLC	14-1878333	DE
Traditional Home Health Services, LLC	75-2635025	TX
Family Nurse Care, LLC	38-2751108	MI
Family Nurse Care II, LLC	20-5108540	MI
Family Nurse Care of Ohio, LLC	20-3920947	MI
Pinnacle Senior Care of Wisconsin, LLC	46-4229858	WI
Pinnacle Senior Care of Indiana, LLC	81-1565426	MI

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**PART 1 - ORGANIZATIONAL CHART**

Pinnacle Home Care, LLC	76-0713516	TX	
North Florida Health Services, Inc	59-3519060	FL	
Pinnacle Sr. Care of Kalamazoo, LLC	47-1742728	MI	
Hospice DME Company, LLC	46-1734288	MI	
Rapid Respiratory Services, LLC	20-4364776	DE	
USMM Accountable Care Network, LLC	46-5730959	DE	
USMM Accountable Care Partners, LLC	46-5735993	DE	
USMM Accountable Care Solutions, LLC	46-5745748	DE	
USMM ACO, LLC	45-4165480	MI	
USMM ACO Florida, LLC	45-4157180	MI	
USMM ACO North Texas, LLC	45-4154905	MI	
Health Net, Inc.	47-5208076	DE	
Health Net of California, Inc.	95-4402957	CA	
Health Net Life Insurance Company	73-0654885	CA	66141
Health Net Life Reinsurance Company	98-0409907	CYM	
Health Net of California Real Estate Holdings, Inc.	54-2174069	CA	
Managed Health Network, LLC	95-4117722	DE	
Managed Health Network	95-3817988	CA	
MHN Services, LLC	95-4146179	CA	
Health Net Federal Services, LLC	68-0214809	DE	
MHN Government Services LLC	42-1680916	DE	
MHN Global Services, Inc.	51-0589404	DE	
MHN Government Services-Belgium, Inc.	80-0852000	DE	
MHN Government Services-Djibouti, Inc.	90-0889816	DE	
MHN Government Services-Germany, Inc.	80-0852008	DE	
MHN Government Services-Guam, Inc.	90-0889803	DE	
MHN Government Services-International, Inc.	90-0889825	DE	
MHN Government Services-Italy, Inc.	80-0852019	DE	
MHN Government Services-Japan, Inc.	46-1038058	DE	
MHN Government Services-Puerto Rico, Inc.	90-0889815	DE	
MHN Government Services-Turkey, Inc.	90-0889824	DE	
MHN Government Services-United Kingdom, Inc.	90-0889833	DE	
Network Providers, LLC (10%)	88-0357895	DE	
Health Net Preferred Providers, LLC	61-1388903	DE	
Health Net Veterans, LLC	35-2490375	DE	
Network Providers, LLC (90%)	88-0357895	DE	
Health Net of the Northeast, LLC (25%)	06-1116976	DE	
North Region Providers, LLC	n/a	DE	
Health Net of the Northeast, LLC (75%)	06-1116976	DE	
QualMed, Inc.	84-1175468	DE	
QualMed Plans for Health of Colorado, Inc.	84-0975985	CO	
Health Net Health Plan of Oregon, Inc.	93-1004034	OR	95800
HSI Advantage Health Holdings, Inc.	23-2867299	DE	
QualMed Plans for Health of Western Pennsylvania, Inc.	23-2867300	PA	

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**PART 1 - ORGANIZATIONAL CHART**

Pennsylvania Health Care Plan, Inc.	25-1516632	PA	
Health Net Services Inc.	94-3037822	DE	
Health Net Community Solutions, Inc.	54-2174068	CA	
Health Net of Arizona, Inc.	36-3097810	AZ	95206
Health Net One Payment Services, Inc.	54-2153100	DE	
Health Net of Pennsylvania, LLC	n/a	PA	
QualMed Plans for Health of Pennsylvania, Inc.	23-2456130	PA	
FH Surgery Limited, Inc.	68-0390434	CA	
Foundation Health Facilities, Inc.	68-0390438	CA	
FH Assurance Company	98-0150604	CYM	
Health Net Pharmaceutical Services	68-0295375	CA	
Health Net of Arizona Administrative Services, Inc.	86-0660443	AZ	
Health Net Community Solutions of Arizona, Inc.	81-1348826	AZ	15895
National Pharmacy Services Inc.	84-1301249	DE	
Integrated Pharmacy Systems, Inc. (90%)	23-2789453	PA	
FH Surgery Centers Inc.	68-0390435	CA	
Greater Sacramento Surgery Center LP (66%)	68-0343818	CA	
Health Net Access, Inc.	46-2616037	AZ	
MHS Consulting, International, Inc	20-8630006	DE	
PRIMEROSALUD, S.L.	Foreign	ESP	
Centene UK Limited	Foreign	GBR	
The Practice (Group) Limited (75%)	Foreign	GBR	
Centene Health Plan Holdings, Inc.	82-1172163	DE	
Carolina Complete Health Holding Company Partnership	82-2699483	DE	
Carolina Complete Health, Inc.	82-2699332	NC	

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations by Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 – Enrollment By Product Type for Health Business Only	17
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18
Exhibit 3 – Health Care Receivables	19
Exhibit 3A – Analysis of Health Care Receivables Collected and Accrued	20
Exhibit 4 – Claims Unpaid and Incentive Pool, Withhold and Bonus	21
Exhibit 5 – Amounts Due From Parent, Subsidiaries and Affiliates	22
Exhibit 6 – Amounts Due To Parent, Subsidiaries and Affiliates	23
Exhibit 7 – Part 1 – Summary of Transactions With Providers	24
Exhibit 7 – Part 2 – Summary of Transactions With Intermediaries	24
Exhibit 8 – Furniture, Equipment and Supplies Owned	25
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	26
Overflow Page For Write-Ins	44
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17
Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C – Section 2	SI13
Schedule DB – Part D – Section 1	E22
Schedule DB – Part D – Section 2	E23
Schedule DB – Verification	SI14
Schedule DL – Part 1	E24
Schedule DL – Part 2	E25
Schedule E – Part 1 – Cash	E26
Schedule E – Part 2 – Cash Equivalents	E27
Schedule E – Part 3 – Special Deposits	E28
Schedule E – Part 2 - Verification Between Years	SI15
Schedule S – Part 1 – Section 2	31
Schedule S – Part 2	32
Schedule S – Part 3 – Section 2	33
Schedule S – Part 4	34
Schedule S – Part 5	35
Schedule S – Part 6	36
Schedule S – Part 7	37
Schedule T – Part 2 – Interstate Compact	39
Schedule T – Premiums and Other Considerations	38
Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y– Part 1A – Detail of Insurance Holding Company System	41
Schedule Y – Part 2 – Summary of Insurer’s Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit – Part 1	8
Underwriting and Investment Exhibit – Part 2	9
Underwriting and Investment Exhibit – Part 2A	10
Underwriting and Investment Exhibit – Part 2B	11
Underwriting and Investment Exhibit – Part 2C	12
Underwriting and Investment Exhibit – Part 2D	13
Underwriting and Investment Exhibit – Part 3	14

